



General Assembly

February Session, 2014

Raised Bill No. 404

LCO No. 1868



Referred to Committee on PLANNING AND DEVELOPMENT

Introduced by:
(PD)

***AN ACT CONCERNING BUILDING PERMIT FEES FOR CLASS I
RENEWABLE ENERGY PROJECTS AND RENEWABLE ENERGY
CREDITS FOR TRASH-TO-ENERGY FACILITIES.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Subsection (c) of section 29-263 of the general statutes is
2 repealed and the following is substituted in lieu thereof (*Effective*
3 *October 1, 2014*):

4 (c) [Any municipality may, by ordinance adopted by its legislative
5 body, exempt Class I renewable energy source projects from payment
6 of building permit fees imposed by the municipality.] No municipality
7 shall charge building permit fees for any Class I renewable energy
8 source project, provided any municipality may require payment of
9 administrative costs incurred by such municipality when processing
10 any applications for such project.

11 Sec. 2. Section 16-245a of the 2014 supplement to the general statutes
12 is repealed and the following is substituted in lieu thereof (*Effective*
13 *October 1, 2014*):

14 (a) An electric supplier and an electric distribution company
15 providing standard service or supplier of last resort service, pursuant
16 to section 16-244c, shall demonstrate:

17 (1) On and after January 1, 2006, that not less than two per cent of
18 the total output or services of any such supplier or distribution
19 company shall be generated from Class I renewable energy sources
20 and an additional three per cent of the total output or services shall be
21 from Class I or Class II renewable energy sources;

22 (2) On and after January 1, 2007, not less than three and one-half per
23 cent of the total output or services of any such supplier or distribution
24 company shall be generated from Class I renewable energy sources
25 and an additional three per cent of the total output or services shall be
26 from Class I or Class II renewable energy sources;

27 (3) On and after January 1, 2008, not less than five per cent of the
28 total output or services of any such supplier or distribution company
29 shall be generated from Class I renewable energy sources and an
30 additional three per cent of the total output or services shall be from
31 Class I or Class II renewable energy sources;

32 (4) On and after January 1, 2009, not less than six per cent of the
33 total output or services of any such supplier or distribution company
34 shall be generated from Class I renewable energy sources and an
35 additional three per cent of the total output or services shall be from
36 Class I or Class II renewable energy sources;

37 (5) On and after January 1, 2010, not less than seven per cent of the
38 total output or services of any such supplier or distribution company
39 shall be generated from Class I renewable energy sources and an
40 additional three per cent of the total output or services shall be from
41 Class I or Class II renewable energy sources;

42 (6) On and after January 1, 2011, not less than eight per cent of the
43 total output or services of any such supplier or distribution company

44 shall be generated from Class I renewable energy sources and an
45 additional three per cent of the total output or services shall be from
46 Class I or Class II renewable energy sources;

47 (7) On and after January 1, 2012, not less than nine per cent of the
48 total output or services of any such supplier or distribution company
49 shall be generated from Class I renewable energy sources and an
50 additional three per cent of the total output or services shall be from
51 Class I or Class II renewable energy sources;

52 (8) On and after January 1, 2013, not less than ten per cent of the
53 total output or services of any such supplier or distribution company
54 shall be generated from Class I renewable energy sources and an
55 additional three per cent of the total output or services shall be from
56 Class I or Class II renewable energy sources;

57 (9) On and after January 1, 2014, not less than eleven per cent of the
58 total output or services of any such supplier or distribution company
59 shall be generated from Class I renewable energy sources and an
60 additional three per cent of the total output or services shall be from
61 Class I or Class II renewable energy sources;

62 (10) On and after January 1, 2015, not less than twelve and one-half
63 per cent of the total output or services of any such supplier or
64 distribution company shall be generated from Class I renewable
65 energy sources and an additional three per cent of the total output or
66 services shall be from [Class I or] Class II renewable energy sources;

67 (11) On and after January 1, 2016, not less than fourteen per cent of
68 the total output or services of any such supplier or distribution
69 company shall be generated from Class I renewable energy sources
70 and an additional three per cent of the total output or services shall be
71 from [Class I or] Class II renewable energy sources;

72 (12) On and after January 1, 2017, not less than fifteen and one-half
73 per cent of the total output or services of any such supplier or

74 distribution company shall be generated from Class I renewable
75 energy sources and an additional three per cent of the total output or
76 services shall be from [Class I or] Class II renewable energy sources;

77 (13) On and after January 1, 2018, not less than seventeen per cent of
78 the total output or services of any such supplier or distribution
79 company shall be generated from Class I renewable energy sources
80 and an additional three per cent of the total output or services shall be
81 from [Class I or] Class II renewable energy sources;

82 (14) On and after January 1, 2019, not less than nineteen and one-
83 half per cent of the total output or services of any such supplier or
84 distribution company shall be generated from Class I renewable
85 energy sources and an additional three per cent of the total output or
86 services shall be from [Class I or] Class II renewable energy sources;

87 (15) On and after January 1, 2020, not less than twenty per cent of
88 the total output or services of any such supplier or distribution
89 company shall be generated from Class I renewable energy sources
90 and an additional three per cent of the total output or services shall be
91 from [Class I or] Class II renewable energy sources.

92 (b) An electric supplier or electric distribution company may satisfy
93 the requirements of this section (1) by purchasing certificates issued by
94 the New England Power Pool Generation Information System,
95 provided the certificates are for (A) energy produced by a generating
96 unit using Class I or Class II renewable energy sources and the
97 generating unit is located in the jurisdiction of the regional
98 independent system operator, or (B) energy imported into the control
99 area of the regional independent system operator pursuant to New
100 England Power Pool Generation Information System Rule 2.7(c), as in
101 effect on January 1, 2006; (2) for those renewable energy certificates
102 under contract to serve end-use customers in the state on or before
103 October 1, 2006, by participating in a renewable energy trading
104 program within said jurisdictions as approved by the Public Utilities

105 Regulatory Authority; or (3) by purchasing eligible renewable
106 electricity and associated attributes from residential customers who are
107 net producers.

108 (c) Any supplier who provides electric generation services solely
109 from a Class II renewable energy source shall not be required to
110 comply with the provisions of this section.

111 (d) An electric supplier or an electric distribution company shall
112 base its demonstration of generation sources, as required under
113 subsection (a) of this section on historical data, which may consist of
114 data filed with the regional independent system operator.

115 (e) (1) A supplier or an electric distribution company may make up
116 any deficiency within its renewable energy portfolio within the first
117 three months of the succeeding calendar year or as otherwise provided
118 by generation information system operating rules approved by New
119 England Power Pool or its successor to meet the generation source
120 requirements of subsection (a) of this section for the previous year.

121 (2) No such supplier or electric distribution company shall receive
122 credit for the current calendar year for generation from Class I or Class
123 II renewable energy sources pursuant to this section where such
124 supplier or distribution company receives credit for the preceding
125 calendar year pursuant to subdivision (1) of this subsection.

126 (f) The authority shall adopt regulations, in accordance with the
127 provisions of chapter 54, to implement the provisions of this section.

128 (g) (1) Notwithstanding the provisions of this section and section 16-
129 244c, for periods beginning on and after January 1, 2008, each electric
130 distribution company may procure renewable energy certificates from
131 Class I, Class II and Class III renewable energy sources through long-
132 term contracting mechanisms. The electric distribution companies may
133 enter into long-term contracts for not more than fifteen years to
134 procure such renewable energy certificates. The electric distribution

135 companies shall use any renewable energy certificates obtained
136 pursuant to this section to meet their standard service and supplier of
137 last resort renewable portfolio standard requirements.

138 (2) On or before July 1, 2007, the authority shall initiate a contested
139 case proceeding to examine whether long-term contracts should be
140 used to procure Class I, Class II and Class III certificates. In such
141 examination, the authority shall determine (A) the impact of such
142 contracts on price stability, fuel diversity and cost; (B) the method and
143 timing of crediting of the procurement of renewable energy certificates
144 against the renewable portfolio standard purchase obligations of
145 electric suppliers and the electric distribution companies pursuant to
146 subsection (a) of this section; (C) the terms and conditions, including
147 reasonable performance assurance commitments, that may be imposed
148 on entities seeking to supply renewable energy certificates; (D) the
149 level of one-time compensation, not to exceed one mill per kilowatt
150 hour of output and services associated with the renewable energy
151 certificates purchased pursuant to this subsection, which may be
152 payable to the electric distribution companies for administering the
153 procurement provided for under this subsection and recovered as part
154 of the generation services charge or through an appropriate
155 nonbypassable rate component on customers' bills; (E) the manner in
156 which costs for such program may be recovered from electric
157 distribution company customers; and (F) any other issues the authority
158 deems appropriate. Revenues from such compensation shall not be
159 included in calculating the electric distribution companies' earnings to
160 determine if rates are just and reasonable, for earnings sharing
161 mechanisms or for purposes of sections 16-19, 16-19a and 16-19e.

162 (h) On or before January 1, 2014, the Commissioner of Energy and
163 Environmental Protection shall, in developing or modifying an
164 Integrated Resources Plan in accordance with sections 16a-3a and 16a-
165 3e, establish a schedule to commence on January 1, 2015, for assigning
166 a gradually reduced renewable energy credit value to all biomass or
167 landfill methane gas facilities that qualify as a Class I renewable

168 energy source pursuant to section 16-1, provided this subsection shall
 169 not apply to anaerobic digestion or other biogas facilities, and further
 170 provided any reduced renewable energy credit value established
 171 pursuant to this section shall not apply to any biomass or landfill
 172 methane gas facility that has entered into a power purchase agreement
 173 (1) with an electric supplier or electric distribution company in the
 174 state of Connecticut on or before June 5, 2013, or (2) executed in
 175 accordance with section 16a-3f or 16a-3h. The Commissioner of Energy
 176 and Environmental Protection may review the schedule established
 177 pursuant to this subsection in preparation of each subsequent
 178 Integrated Resources Plan developed pursuant to section 16a-3a and
 179 make any necessary changes thereto to ensure that the rate of
 180 reductions in renewable energy credit value for biomass or landfill
 181 methane gas facilities is appropriate given the availability of other
 182 Class I renewable energy sources.

183 (i) A certificate issued by the New England Power Pool Generation
 184 Information System to a trash-to-energy facility qualified as a Class II
 185 renewable energy source shall not be less than one cent per kilowatt
 186 hour.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2014</i>	29-263(c)
Sec. 2	<i>October 1, 2014</i>	16-245a

Statement of Purpose:

To limit fees associated with the processing and construction of Class I renewable energy source projects to administrative fees, and to require that a renewable energy credit issued to trash-to-energy facilities certified as a Class II renewable energy source not be less than one cent per kilowatt hour.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]